MANAGEMENT SERVICES MISSION

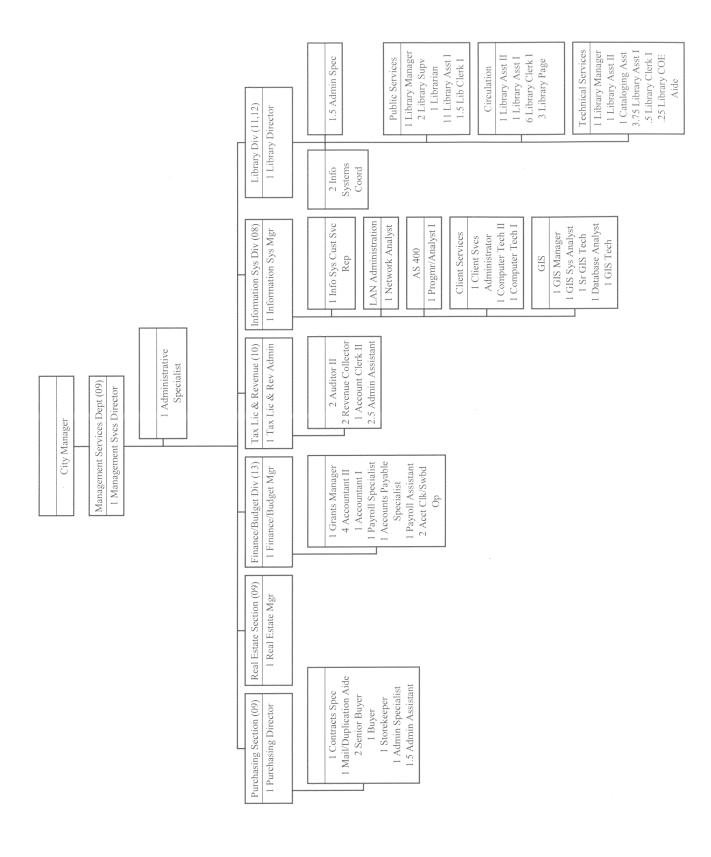
The mission of the **Management Services Department** is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

The mission of the **Information Systems Division** is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

The mission of the **Tax and Licensing, and Revenue Division** is to ensure compliance with the City's Business License ordinances and assist the public so that tax-reporting problems can be avoided.

The mission of the **Flagstaff City-County Public Library** is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

The mission of the **Finance/Budget Division** is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.



The mission of the Information Services Division is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

PROGRAM DESCRIPTION

This Division provides design, development, and operational assistance in meeting the management information needs of the City Council and staff. These objectives are met through various computer applications, which are modified, maintained, and updated on an ongoing basis to provide accurate information in a timely manner.

FY03 GOALS/OBJECTIVES AND RESULTS

- Implementation of private wireless network for City of Flagstaff remote locations: As of January 2003 the project is 90% completed, private wireless network will be fully operational by May of 2003.
- Transition of Internet and external email services to NAU Internet provider services: Completed.
- Support of Stormwater, Rio de Flag Projects, Utilities Model (water/sewer) projects: Ongoing
- Deployment of desktops and upgrade of existing desktops: AS of February 2003 the deployment project is 60% completed and completion is anticipated by July 2003.
- Implementation of Permit Tracking Application (KIVA): Project in progress
- Implementation of Firehouse Enterprise Version: Project in progress
- Upgrade of HTE applications to latest version: Completed

- Upgrade of AS400 operating system: Anticipate completion by June 2003
- Implementation of network management/monitoring applications: Completed
- Implementation and maintenance of network security management/monitoring applications: Ongoing

ADDITIONAL ACCOMPLISHMENTS FY03

- Training of Information Technology staff: Ongoing
 - Certification acquired during FY03 by staff: A+certification (PC maintenance), Certified Novell Administrator (C N A), Microsoft Certified Systems Engineer (MCSE), Certified Information System Security Professional (CISSP), Certified XIOtech Engineer
 - Conduct training of City staff in beginning Microsoft (MS) 2000, MS Word, MS Excel, MS PowerPoint, Novell GroupWise, LaserFiche, and AS400 emulation: Ongoing.

FY04 GOALS AND OBJECTIVES

GOAL: ORGANIZATION SUPPORT OBJECTIVES:

- Continued training and certification of Information Systems staff to ensure employees knowledge and skills are at a level that is applicable to the technology utilized by the City of Flagstaff.
- Provide training resources to Information Systems staff to ensure employees knowledge and skills related to information technology security are at their highest level, thereby allowing staff to secure the City's data assets from outside intrusion and denial of services, insure confidential data is not compromised, and prevention of identity theft.
- Provide training resources to City staff for Microsoft (MS) 2000, MS Word, MS Excel, MS PowerPoint, Novell GroupWise, LaserFiche, and AS400 emulation.

PERFORMANCE INDICATORS	CY01	CY02	CY03 OR FY04 (EST)
Completion of service request within 5 working days	98%	98%	98%
User operational within two working days of receipt of completed user ID forms	99%	98%	99%
Maintain a 98% up time for all computer systems AS400/LAN/WAN	100%	95%	95%
Installation and testing of City of Flagstaff private wireless network	NA	90% completed	completed 5/03

PERFORMANCE INDICATORS	CY01	CY02	CY03 OR FY04 (EST)
Implementation of a high band Internet access solution	NA	completed	
Upgrade of Novell and AS400 operating systems to current versions	NA	completed	6/30/04
Replacement of City Hall network switching equipment	NA	N/A	6/30/04
Replacement of Shop/Yard network switching equipment	NA	completed	
Timely updates of various applications (H.T.E., KIVA, Rec Trac, etc.)	NA	completed	7/1/04
Conversion to cluster service technology for critical applications	NA	25% completed	7/1/04
Perform daily backup of all data files and maintenance of off-site storage	NA	100%	100%
Utilize outside resource to conduct security audit of City's computer infrastructure	NA	N/A	6/30/03
Implementation of single sign on technology	NA	10% completed	6/30/04
Security of City of Flagstaff private wireless network		N/A	6/30/03

EXPENDITURES BY CATEGORY:											
	Actual Expenditures 2001-2002		Budget Expendit			stimated penditures 002-2003	2	Adopted Budget 2003-2004	Budget-Budget Variance		
PERSONAL SERVICES CONTRACTUAL COMMODITIES CAPITAL TOTAL	\$ \$	649,290 259,493 62,791 - 971,574	\$ \$	709,222 252,120 40,150 - 1,001,492	\$ \$	643,973 252,396 49,491 - 945,860	\$ \$	744,680 378,260 37,300 - 1,160,240	\$	35,458 126,140 (2,850) - 158,748	
EXPENDITURES BY PROGRAM:											
GENERAL ADMINISTRATION AS 400 CLIENT SERVICES LAN/WAN GIS TOTAL	\$ \$	193,091 148,821 122,851 227,541 279,270 971,574	\$ \$	238,381 128,565 162,258 167,742 304,546 1,001,492	\$ \$	188,005 135,469 166,574 204,180 251,632 945,860	\$ \$	285,247 169,684 172,017 232,701 300,591 1,160,240	\$	46,866 41,119 9,759 64,959 (3,955) 158,748	
SOURCE OF FUNDING:	LIBF HIGI WAT AIRF	TER AND WA	REV ASTE	/ENUE FUND WATER FUN ERVICES FUN	\$	890,641 16,172 43,510 120,735 14,384 74,798 1,160,240					

The Information Systems operating budget has increased 15% and there are no capital expenditures. Personal Services increases are due to retirement contributions, merit and insurance increases. Contractual increases are due to computer maintenance costs.

Annual Financial Plan 108 City of Flagstaff, AZ

The mission of the Management Services Department is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

PROGRAM DESCRIPTION

The office of the Management Services Division is responsible for the general administration of Finance/Budget, Sales Tax, Information Systems, and Library Divisions. The Purchasing function and Real Estate Management function are also within this division.

FY03 GOALS/OBJECTIVES AND RESULTS

- Expanded the procurement card program and look to automate the processing and payment of the monthly billing statements by May 2003.
- Completion of Procurement Code for adoption by City Council. The procurement code is still being prepared for evaluation by City departments.
- Assisted the new CIP Director in preparing a Capital Improvement Plan.
- Provide the required financial assistance to the City Capital Management division. Worked on various reports.
- Acquire real estate necessary to complete capital projects in a timely fashion. Completed acquisition for Country Club widening and the Soliere extension.

ADDITIONAL ACCOMPLISHMENTS FY03

- Acquisition of FUTS link to Cheshire.
- Worked with Alliance members on numerous cooperative purchases.
- Refunded Street and Highway bonds with a onetime savings of \$388,000.
- Moved forward with implementation and installation of phone system for City Hall. System was installed on budget and with minimal disruption. As a result of upgrade were able to change. Have doubled the program with over 40 card users. While we have reviewed software application that can assist in the automation of the

- monthly billing process, we have elected to defer at this time due to limited funding.
- Assisted in the development of an e-government strategy.

FY04 GOALS AND OBJECTIVES

GOAL: FISCAL HEALTH

OBJECTIVES:

- Continue the development and implementation of a formal procurement code, incorporating alternative methods of procurements for construction services and address the use of recycled products and green building concepts.
- ❖ Work with the Capital division to update comprehensive CIP plan by December 2003.
- Work with staff in developing financing alternatives to bond for various city needs as directed by council.
- Work with staff on the evaluation and implementation of the Hotel/Conference center proposals.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- Assist in the acquisition of right of way for FUTS easements for summer 2003 construction.
- Acquire right of way for Empire Street extension.
- Provide timely acquisition of parcels for CIP projects.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

Continue to foster a high level of customer service delivery in all areas.

PERFORMANCE INDICATORS

No performance indicators available at this time.

EXPENDITURES BY CATEGORY:										
		Actual		Adopted	_	stimated	Adopted			
		penditures		Budget		penditures	Budget		Budget-Budget	
	20	01-2002	2002-2003		2002-2003		2003-2004		Variance	
PERSONAL SERVICES	\$	690,349	\$	648,871	\$	630,949	\$	704,486	\$	55,615
CONTRACTUAL		41,373		37,299		32,937		34,623		(2,676)
COMMODITIES		17,874		8,595		11,780		10,020		1,425
CAPITAL		8,881		_				-		-
TOTAL	\$	758,477	\$	694,765	\$	675,666	\$	749,129	\$	54,364
EXPENDITURES BY PROGRAM:										
GENERAL ADMINISTRATION	\$	175.811	\$	194,134	\$	175.791	\$	196.760	\$	2,626
PURCHASING	·	346,799	·	335,487	·	323,281	•	369,393	·	33,906
MAIL SERVICES		36,319		22,080		22,276		24,267		2,187
GRANT ADMINISTRATION		28,161		- -		-		-		-
BOND & SURETY ADMIN		8,475		290		8,489		-		(290)
WAREHOUSE		89,966		74,200		77,107		75,956		1,756
PROPERTY MANAGEMENT		72,946		68,574		68,722		82,753		14,179
TOTAL	\$	758,477	\$	694,765	\$	675,666	\$	749,129	\$	54,364
SOURCE OF FUNDING:										
	GEN	ERAL FUND)				\$	330,874		
	LIBR	ARY FUND						47,921		
	HIGH	HWAY USER	REVE	NUE FUND				97,356		
	WAT	ER AND WA	ASTEV	VATER FUN	D			145,608		
	AIRP	ORT FUND						90,667		
	ENV	IRONMENTA	AL SEF	RVICES FUN	ID			36,703		
							\$	749,129		

The Management Services operating budget has increased 7% and there are no capital expenditures. Personal Services increases are for merit increases, retirement contributions, and insurance costs. Commodities increase is mainly for adding back the coffee fund.

Annual Financial Plan 110 City of Flagstaff, AZ

The mission of the Tax, Licensing and Revenue division is to ensure compliance with the City's Business License ordinances and assist the public so that tax-reporting problems can be avoided.

PROGRAM DESCRIPTION

The Tax, Licensing, and Revenue division is responsible for the licensing of new businesses and the collection and audit of sales tax and business license accounts. Sales Tax also disseminates City and State sales tax information to the taxpayers. This division is responsible for the collection of delinquent utility billings, delinquent library accounts, City court fines, and parking tickets, miscellaneous city billings, and NSF checks. This division performs the billing of miscellaneous receivable accounts. This division also invests excess funds as allowed by the City Investment Policy.

FY03 GOALS/OBJECTIVES AND RESULTS

- Continue the taxpayer education seminars: Held five seminars with 102 attendees for new businesses in conjunction with the Arizona Department of Revenue, Department of Economic Security and Internal Revenue Service.
- Send audit evaluation forms to taxpayers: Task not evaluated in calendar year 02.
- ❖ Increase taxpayer compliance in application of the sales tax code: Sent letters to all taxpayers informing them of the increase in the county sales tax rate effective January 1, 2003 and provided the taxpayers with a six month notice of the city sales tax rate increase on July 1, 2003.
- ❖ Invest excess city funds and achieve a rate of return greater than that provided by the Local Government Investment Pool operated by the State Treasurer's Office. The funds invested in FY 03 will exceed the returns from the investment pool by more than \$400,000.

ADDITIONAL ACCOMPLISHMENTS FY03

- Since the division took over all of the keypunching of the information reported to the City on sales tax returns, we have been able to close out each month for the past twelve months in a timely manner.
- Researched the returned mail from sales tax mailers, updated the files and reduced wasted postage on tax returns sent to businesses that are no longer in business.

- Attended training held by the Arizona State Retirement System to better understand how much health insurance will cost our retirees. We can provide better customer service to our retirees by being able to answer their questions rather than them having to call the state agency.
- Kept up to date on legislation affecting retirees.

FY04 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE OBJECTIVES:

- Continue the taxpayer education seminars.
- Send audit evaluation forms to taxpayers to obtain feedback on our customer service level.
- Stay up to date on retiree health insurance issues and legislation.

GOAL: FISCAL HEALTH OBJECTIVES:

- Reduce sales tax delinquencies.
- Invest city funds and achieve a rate of return exceeding that of the Local Government Investment Pool while investing in low risk investment.
- Evaluate and implement revenue enhancements and cost reduction ideas suggested by staff.

PERFORMANCE INDICATORS	CY01	CY02	CY03 OR FY04 (EST)
Issued Occupational and Sales Tax Licenses	1,241	1,398	1,500
Processed sales tax returns	28,619	28,750	30,475
Performed sales tax audits (FY)	57	63	65
Sales tax delinquencies as a percent of budgeted sales tax revenue	1.1%	1.0%	1.3%
Collection of delinquent miscellaneous receivable accounts	65%	53%	65%
Collection of delinquent parking tickets	60%	70%	60%
Collection of delinquent utilities payments	40%	43%	45%

EXPENDITURES BY CATEGORY:											
	Evi	Actual penditures		Adopted Budget	_	Estimated Expenditures		Adopted Budget		Budget-Budget	
		001-2002	2002-2003		2002-2003		2003-2004		Variance		
PERSONAL SERVICES	\$	412,034	\$	428,160	\$	428,823	\$	447,748	\$	19,588	
CONTRACTUAL COMMODITIES		27,233 11,814		30,280 14,920		27,935 15,194		30,200 15,095		(80) 175	
CAPITAL		-		14,920		15,194		15,095		-	
TOTAL	\$	451,081	\$	473,360	\$	471,952	\$	493,043	\$	19,683	
EXPENDITURES BY PROGRAM:											
GENERAL ADMINISTRATION	\$	119,041	\$	130,886	\$	128,416	\$	136,637	\$	5,751	
AUDIT		131,026		139,963		140,444		146,390		6,427	
COLLECTIONS LICENSING AND CLERICAL		84,693 74,495		90,750 66,934		90,856 67,586		95,389 68,216		4,639 1,282	
ACCOUNTS RECEIVABLE		41,826		44,827		44,650		46,411		1,584	
TOTAL	\$	451,081	\$	473,360	\$	471,952	\$	493,043	\$	19,683	
SOURCE OF FUNDING:											
		ERAL FUND)				\$	400,190			
		ARY FUND	DE\/I	ENUE FUND				21,477			
				VATER FUN				20.845			
	AIRF	PORT FUND						17,685			
	ENV	IRONMENTA	AL SEI	RVICES FUN	ID			32,846			
							\$	493,043			
COMMENTARY											

The Tax, Licenses, and Revenue Collection operating budget has increased 4% and there are no capital expenditures. Personal services increases are due to merit, retirement contributions, and insurance cost.

The mission of the Flagstaff City-County Public Library is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

PROGRAM DESCRIPTION

The City-County Library is a jointly funded public library administered by the City of Flagstaff and financed by both the City of Flagstaff and Coconino County. The Library provides residents of the City and County with access to available recorded knowledge that will assist them in meeting their informational, recreational, educational, and cultural needs. The Library staff is committed to delivering services to users in a professional, timely and courteous manner.

FY03 GOALS/OBJECTIVES AND RESULTS

- Continue to work with Coconino Community College on developing a successful partnership in the new Library facility: The partnership has strengthened and the move into the facility is (almost) complete.
- ❖ Proactively meet the community's needs for materials and information: The Library Continues to develop collections of materials in a variety of formats. The public now has access to electronic databases from home or work through the Library website.
- ❖ Increase the allocation for patron's suggestions for purchase to \$15,000: This has been accomplished and is a very popular service.
- Develop the "Family Place" literacy/informational program in cooperation with Libraries for the Future and the Arizona Humanities Council: This program will be expanded to include Tuba City Public Library.
- ❖ Seek out funding opportunities made by grant making organizations to enhance collections and improve service: Through a partnership with the State Library, Flagstaff Medical Center, the County Health Department and the Headstart Program, Library staff was granted \$10,000 to purchase children's books. These books were given to low-income families throughout Coconino County.

ADDITIONAL ACCOMPLISHMENTS FY03

- ❖ Approximately 1,340 young people participated in the Summer Reading Program.
- With financial support of the Gates Foundation and Libraries for the Future, an average of ten classes per month are taught by highly skilled and knowledgeable volunteers and staff members.
- Reference staff completed a major evaluation of the collection, resulting in a more usable and current collection for the public.
- ❖ PC Reservation and LPT software packages were installed. PC Reservation allows staff to efficiently manage access to the public computer workstations, assuring equality of access for Library patrons. The LPT software manages printing from the public workstations, preventing waste from unneeded print request and generating income by charging for print jobs.
- ❖ Internet connection was upgraded to guarantee increased bandwidth for Library staff and our patrons. An application for Universal Service E-Rate discount will give the Library a 60% rebate on the cost of this connection.
- Tuba City Public Library received the first E-Rate funding in Coconino County.

FY04 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVES:

- Work with Flagstaff Medical Center, the Flagstaff Community Foundation, and Literacy Volunteers of Coconino County on a new literacy program.
- Develop a new family literacy program.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- Proactively meet the community's need for materials and information.
- Develop new collections, services and programs for the East Flagstaff Community Library.
- Create an after-school program in the Tuba City Library.

GOAL: FISCAL HEALTH

OBJECTIVES:

- Write a technology plan for the Main and East Flagstaff branches of the Library. This plan is an integral component in order to receive federal funding under the E-Rate program, which subsidizes telecommunication costs for libraries.
- Continue to seek out funding opportunities made by grant making organizations to enhance collections and improve services.

PERFORMANCE INDICATORS	CY01	CY02	CY02 OR FY03 (EST)
Shelve materials promptly when returned	928,881	956,847	969,768
Borrowers check out materials in a timely fashion	267,372	278,066	291,969
Provide successful response to requests for information	136,966	141,055	144,876
Provide successful response to reference questions from youth	46,951	49,829	51,822
Provide adequate number of materials for users (per capita)	3.6	3.8	3.8
Catalog all new materials as they are received	21,958	22,816	23,400

Division 11 - Library Operating

EXPENDITURES BY CATEGORY:											
		Actual		Adopted		Estimated	Adopted				
	E	xpenditures		Budget	E	penditures	Budget		Budget-Budget		
		2001-2002	2	2002-2003		2002-2003		2003-2004		Variance	
PERSONAL SERVICES	\$	1,396,537	\$	1,562,483	\$	1,566,911	\$	1,604,753	\$	42,270	
CONTRACTUAL		305,956		372,710		319,896		361,625		(11,085)	
COMMODITIES		321,547		339,422		391,431		342,293		2,871	
CAPITAL		168,793		421,928		422,942		158,394		(263,534)	
TOTAL	\$	2,192,833	\$	2,696,543	\$	2,701,180	\$	2,467,065	\$	(229,478)	
EXPENDITURES BY PROGRAM:											
GENERAL ADMINISTRATION	\$	487,753	\$	381.588	\$	376,993	\$	442.557	\$	60,969	
TECHNICAL SERVICES	Ф	566,197	Ф	616,496	Ф	576,993	Φ	562,342	φ	(54,154)	
PUBLIC SERVICES		934.316		958,201		973,294		1,053,594		95,393	
COUNTY JAIL		36,590		38.000		35,561		48.000		10,000	
COUNTY BOOKMOBILE		22,816		32,050		32,005		42,050		10,000	
FOREST LAKES LIBRARY		26.863		31,675		31,472		43,175		11,500	
TUBA CITY LIBRARY		98,505		87.990		97.937		102,490		14,500	
SUPAI LIBRARY		3,031		5,500		4,732		5,500		-	
EAST FLAGSTAFF LIBRARY		-		-		-		156,482		156,482	
MAIN LIBRARY AUTOMATION		8,419		10.875		10.875		10,875		-	
E. FLAG COMMUNITY LIBRARY		-		211,504		124,775		-		(211,504)	
E. FLAG LIBRARY REMODEL		8,343		322,664		419,283		_		(322,664)	
TOTAL	\$	2,192,833	\$	2,696,543	\$	2,701,180	\$	2,467,065	\$	(229,478)	
SOURCE OF FUNDING:											
LIBRARY FUND								2,467,065			
							\$	2,467,065			
COMMENTARY:											

COMMENTARY

The Library operating budget has increased 1% and capital expenditures total \$158,394 resulting in an overall net decrease of 9%. Personal Services increases are due to employee merits, retirement contributions, insurance costs, and the addition of .5 FTE for a Library Clerk I. Contractuals decreases are due to budget cuts mainly in circulated materials. Major capital (>\$10,000) includes carryforward of \$18,394 for furniture/millwork/shelving for new East Flag Branch plus \$100,000 for an air conditioning system and \$40,000 for bathroom remodel at the main library.

Annual Financial Plan 114 City of Flagstaff, AZ

Division 12 – Library Grants

EXPENDITURES BY CATEGORY:										
	Actual Expenditures		Adopted Estimated Budget Expenditures			Adopted Budget		Buc	lget-Budget	
		01-2002		2002-2003		002-2003	2003-2004		Variance	
PERSONAL SERVICES	\$	69,544	\$	61,942	\$	68,268	\$	68,848	\$	6,906
CONTRACTUAL		111,048		640,266		653,774		831,486		191,220
COMMODITIES		8,568		4,662		17,157		-		(4,662)
CAPITAL		-				-	_	-		-
TOTAL	\$	189,160	\$	706,870	\$	739,199	\$	900,334	\$	193,464
EXPENDITURES BY PROGRAM:										
CENT'L ORAL HISTORY PROJ	\$	281	\$	-	\$	2,724	\$	-	\$	-
COUNTY WIDE PROJECTS		133,205		663,223		669,549		900,334		237,111
LIBRARIES FOR THE FUTURE		25,460		28,793		28,793		-		(28,793)
STATE GRANT IN AID-00/01		8,292		=		=		-		-
GATES FOUNDATION-TUBA CTY		603		-		-		-		-
STATE GRANT N. AID 2002		21,319		-		3,133		-		- (44.054)
STATE GRANT N AID 2002-03 CHILDREN IN POVERTY 02-03		-		14,854		25,000 10,000		-		(14,854)
TOTAL	\$	189,160	\$	706,870	\$	739,199	\$	900,334	\$	193,464
1.0.7.2	<u> </u>	100,100	<u> </u>		<u> </u>	100,100	_	000,001	<u> </u>	100,101
SOURCE OF FUNDING:										
	LIBR	ARY FUND					\$	900,334		
							\$	900,334		

Annual Financial Plan 115 City of Flagstaff, AZ

The mission of the Finance/Budget division is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

PROGRAM DESCRIPTION

The Finance Division provides a variety of financial services to the Council and City staff. Services include accounting and financial reporting, budgeting, payroll, accounts payable, special financial analysis, grant management and citywide switchboard operations.

FY03 GOALS/OBJECTIVES AND RESULTS

- Develop a policy of mandatory fee reviews including frequency and responsibility. Draft policy completed and under review.
- Implement fee recommendations from 2002 user fee study as designated by Council. Fee recommendations reviewed with Council and will be implemented over time.
- ❖ Find grants for the Rio de Flag project and other projects as may be desirable. Received Federal Fire, Police, Airport HUD, MPO, Department of Transportation and Federal Transit Administration Grants totaling \$5,335,497 in FY03
- Implement new cost allocation methodology and start process of including overhead recovery in grants. Completed.

ADDITIONAL ACCOMPLISHMENTS FY03

- ❖ Received the GFOA Distinguished Budget Presentation award for FY 2002.
- Worked with Bond Advisors Task Force.
- ❖ Facilitated cost allocation, OMB 87 analysis.
- Continued development and implementation of Capital Improvement tracking and monitoring.
- Produced and distributed budget/CAFR documents via CD and web site reducing expenditures.
- Completed third year of submitting information for ICMA benchmarking.
- Conducted survey of budget process and implemented subsequent change.
- Tested two divisions for the automation of Personnel Action forms.

FY04 GOALS AND OBJECTIVES

GOAL: FISCAL HEALTH
OBJECTIVES

- Successfully implement GASB-34 Financial Reporting Criteria
- Successfully implement Personnel Action forms automation citywide.
- Convert to the HTE budget system.
- Maintain grant funding at current levels.
- Implement credit card program citywide to reduce administrative processing costs
- Implement new user fees as directed by Council.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Payroll processed and payroll checks are printed by noon on Thursday prior to Friday payday 100% of the time	100%	100%	100%
Run month end general ledger and financial statements within five working days after the end of the month	6.9 days	5.0 days	5.0 days
Mandatory fee policy developed	NA	NA	12/31/02
User fees implemented as designated by Council	NA	NA	9/30/02
Receive one grant for Rio de Flag project	NA	NA	1
Receive four grants in other identified areas	NA	NA	4

EXPENDITURES BY CATEGORY:											
		Actual	1	Adopted	E	stimated	Adopted				
		penditures		Budget	Expenditures			Budget		Budget-Budget	
		001-2002		002-2003	2002-2003		2003-2004		Variance		
PERSONAL SERVICES	\$	516,438	\$	639,538	\$	634,211	\$	687,593	\$	48,055	
CONTRACTUAL		15,252		29,610		29,176		30,710		1,100	
COMMODITIES		20,867		22,320		22,120		18,220		(4,100)	
CAPITAL				-		-		-		-	
TOTAL	\$	552,557	\$	691,468	\$	685,507	\$	736,523	\$	45,055	
EXPENDITURES BY PROGRAM:											
GENERAL ADMINISTRATION	\$	83,238	\$	94,105	\$	92,722	\$	106,350	\$	12,245	
ACCOUNTING		248,587		282,980		275,532		299,032		16,052	
PAYROLL		102,296		107,905		108,166		112,734		4,829	
ACCTS PAYABLE/ RECEIVABLE		107,775		119,599		120,420		128,703		9,104	
BUDGET		10,323		8,550		6,215		5,150		(3,400)	
GRANTS ADMINISTRATION		338		78,329		82,452		84,554		6,225	
TOTAL	\$	552,557	\$	691,468	\$	685,507	\$	736,523	\$	45,055	
SOURCE OF FUNDING:											
	GEN	ERAL FUND)				\$	469,945			
	LIBR	ARY FUND						33,021			
	HIGH	HWAY USER	REVE	ENUE FUND				55,886			
	WAT	ER AND WA	ASTEV	VATER FUNI	D			108,995			
	AIRF	ORT FUND						26,336			
	ENV	IRONMENTA	AL SEF	RVICES FUN	ID			42,340			
							\$	736,523			
COMMENTARY											

The Finance and Budget operating budget has increased 6% and there are no capital expenditures. Personal Services increases are due to merit and health insurance increases. There is no major capital (>\$10,000) for this division.

Annual Financial Plan 117 City of Flagstaff, AZ

